



Connecticut Economic Update

January 28, 2016

Summary

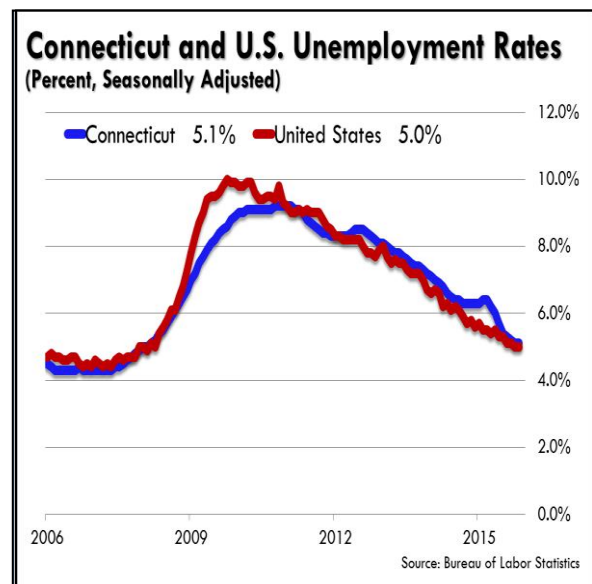
Nonfarm payroll employment in Connecticut increased by 300 jobs and the unemployment rate increased to 5.2 percent in December according to data released by the Bureau of Labor Statistics (BLS).

Connecticut Unemployment Rate

During December, the unemployment rate in Connecticut increased to 5.2 percent. The number of people counted as unemployed increased by 2,700 in December to 99,100, while the labor force increased by 600 to 1,893,700.

The 10-year peak for the unemployment rate in Connecticut was 9.2 percent in February 2011. The series high for the unemployment rate in Connecticut occurred in January 1976 when the unemployment rate reached 10.0 percent. The 10-year low for the unemployment rate in Connecticut was 4.3 percent in May 2007. The series low for the unemployment rate in Connecticut occurred in October 2000 when the unemployment rate reached 2.2 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



Connecticut Payroll Employment

Connecticut nonfarm payrolls increased by 300 jobs on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 5,800. Over the past 12 months nonfarm payrolls in Connecticut increased by 22,600, or 1.3 percent. Connecticut nonfarm payroll employment has increased in 8 of the past 12 months.

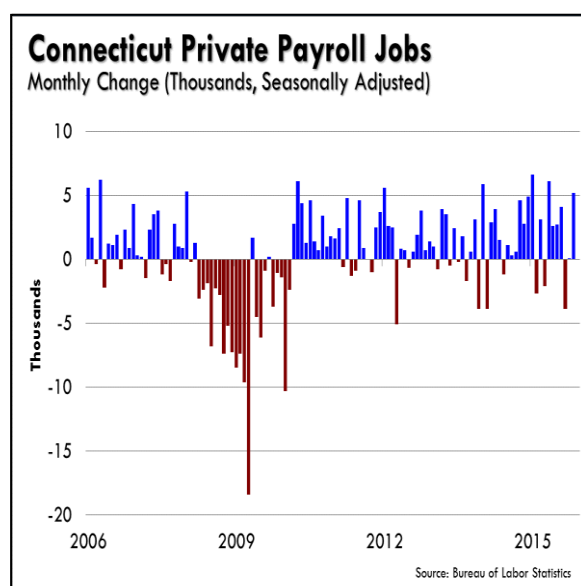
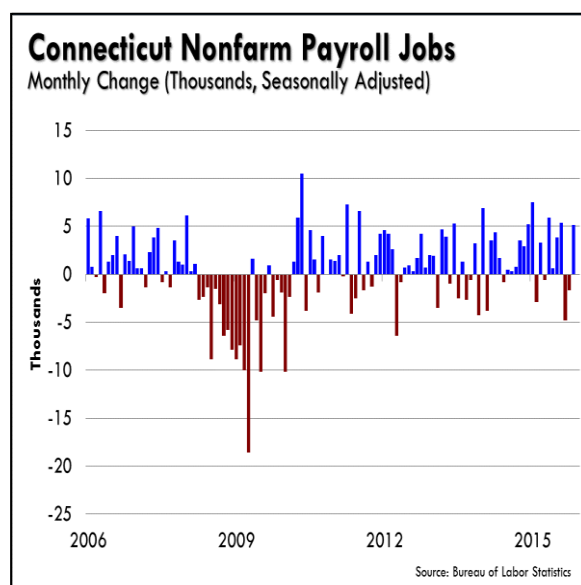
Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

During December, Connecticut private-sector payrolls increased by 500, or 0.0 percent. Private-sector payrolls increased by 5,900 jobs in the prior month. Over the past 12 months, private-sector payrolls in Connecticut increased by 23,000, or 1.6 percent. Connecticut private-sector payroll employment has increased in 9 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Connecticut decreased by 200, or 0.1 percent. Federal government payroll employment remained unchanged. State government payroll employment increased by 100, or 0.1 percent, while local government payroll employment decreased by 300, or 0.2 percent.

Over the past year, total government payroll employment decreased by 400, or 0.2 percent. State government payroll employment increased by 300, or 0.4 percent. Local government payroll employment decreased by 200, or 0.1 percent.



The best performing sectors on a seasonally adjusted basis during December were Leisure and Hospitality (+300) and both Trade, Transportation, and Utilities (+200) as well as Professional and Business Services (+200). The poorest performing sectors during the month were Education and Health Services (-500) and Manufacturing (-400).

The best performing sectors during the last twelve months were Trade, Transportation, and Utilities (+4,700) and Education and Health Services (+4,200). The poorest performing sectors for the year were Government (-400) and Manufacturing (+1,600).

Other Connecticut Labor Force Statistics

The labor force participation rate in Connecticut held steady at 65.6 percent in December. The labor force participation rate in Connecticut is down from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

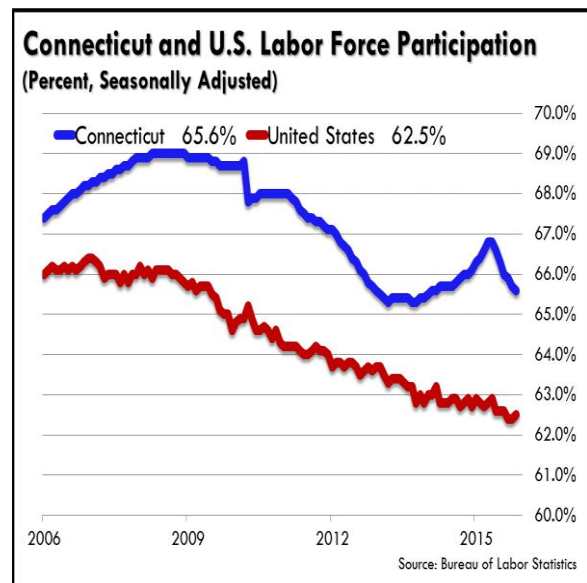
The 10-year high for the labor force participation rate in Connecticut was 69.0 percent in December 2008. The series high for the labor force participation rate in Connecticut occurred in November 1991, when the labor force participation rate hit 71.8 percent. The 10-year low for the labor force participation rate was 65.3 percent in October 2013. The series low occurred in January 1976 when the labor force participation rate hit 63.9 percent.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Connecticut civilian noninstitutionalized population 16 years and older counted as employed, decreased to 62.2 percent in December.

The 10-year high for the employment-to-population ratio in Connecticut was 65.5 percent in July 2007. The series high for the employment-to-population ratio in Connecticut occurred in December 1989 when the employment-to-population ratio hit 68.3 percent. The 10-year low for the employment-to-population ratio was 60.2 percent in February 2013. The series low for the employment-to-population ratio occurred in January 1976 when the employment-to-population ratio hit 57.6 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1



percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.

